This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.

Supporting Inclusive Development in Ulaanbaatar





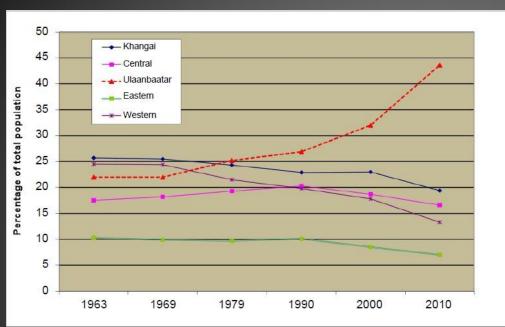
Ulaanbaatar: 1.3 million population (Mongolia: 2.8 million , 30% below poverty line)

Ger areas: 800,000 population; 60% of the City; 30% of the

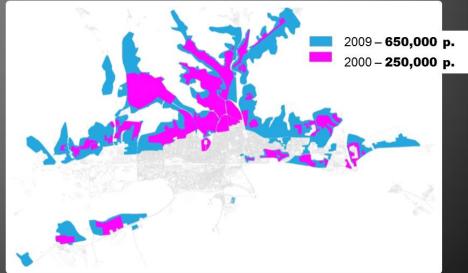
Key characteristics

- Not just poor mixed income but with high numbers of poor households: pockets of poverty
- High environmental degradation: air, water, soil contamination and poor waste management
- Poor urban infrastructure, pit latrine system, water kiosks, inefficient stove (heating and cooking)
- Disconnected from the urban economy: Limited job opportunities; no development strategy; lack of regulation; not integrated with the City center
- **Basic Services**: Limited access and high costs

Continued Rapid Growth



+ 400,000 new residents expected in the next 10 years



Social Impact

Education

- Lack of access to quality education, especially ger areas (overcrowded schools, poor access for poor families students, out-of-school children)
- Poor teaching-learning environment (unsafe commuting, lack of toilets, heating systems, libraries, science laboratories, sports facilities, extracurricular activities)
- Limited availability and affordability of teachinglearning materials
- High youth unemployment rate especially in ger areas due to lack of employable skills

Health

- Unequal access to health: utilization of health services is lower for lower socio-economic groups
- Poorer health outcomes: health status is lower for lower socio-economic groups
- Impoverishment: Out-ofpocket payment for health care is higher for lower social economic groups
- Rural-urban and geographical disparities, but UB has better access and outcome indicators compared to rural areas

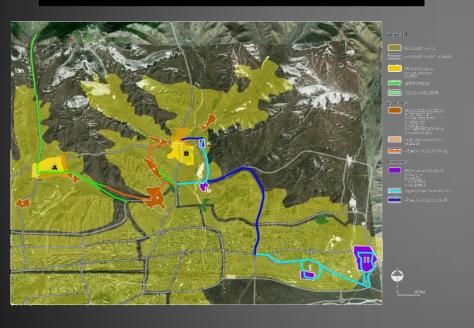
Inclusive city development challenges

- Provide affordable access to basic services for all
- Integrate ger area populations
- Solve environmental issues
- Support socio-economic development



Ulaanbaatar Master Plan 2030 Centers and Sub-centers development

Revised masterplan 2012 - for the first time integrates Ger areas development





Focus on 6 Subcenters Interconnection between Sub-centers

Connection roads – Urban Roads – Water supply – Wastewater – Heating – Educational / socio-economic Facilities -On Site Development

- Subcenters: backbone of peri-urban development to unlock economic development
- Infrastructure where growth potential is high, to encourage densification, and initiate a change in the urban fabric

UB urban services and Ger area development investment program

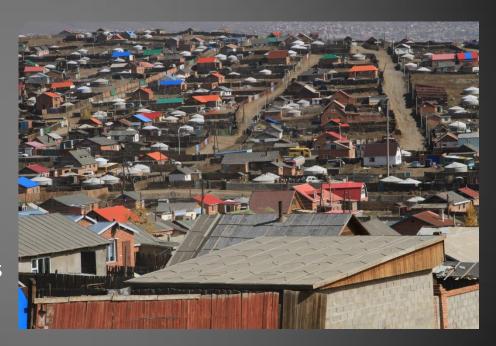
- MFF for comprehensive subcenter development long term committment
- Focused on connecting subcenters, catalyzing infrastructure investment and economic development
- Inclusive design features: kindergartens, business incubation centers, administrative offices, creation of community and sme development councils
- Physical design also greatly impacted by realities of affordability, economic heterogenity of population need to initiate a process of change

2 key issues

- Land
- Community participation

Land

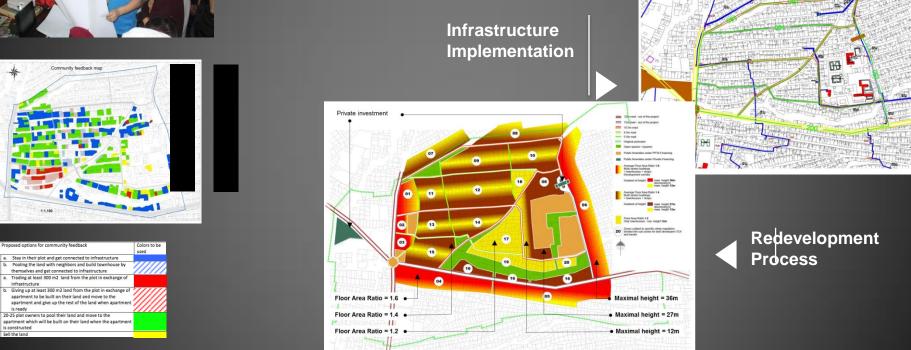
- All citizens have rights to 700m2
- No eminent domain
- Little to no planning when land allocated (i.e. easements, expansion space)
- Issues:
 - All land take and resettlement is negotiated and protracted
 - Unequal capacity for hh to afford connections and services
 - Different ownership systems (private/possession/land use)
 - Lack of updated cadastral maps



Community Participation and Redevelopment



- Needs Assessment and Consultation on urban functions development, options of land readjustment/land pooling; Land use plan preparation
 - **Community mobilization:** Community Development Councils (CDC) and SME Development Council established;
- (iii) Skills (current and skills of interest) of the community.



Redevelopment process based on land redevelopment options and local development opportunities.

Focus: to change the urban pattern to allow the delivery of basic services and create attractive economic centers

Complementary Projects Supporting Inclusive Development of UB

FNSWPP

- Developed food stamp program and targeting mechanism
- Small grants program urban food security
- Community poverty mapping
- ISDB: Can be used by other sectors to target assistance







Business Incubation Centers

Housing loans and new area development

TVET and education access



District hospital rehabilitation Primary healthcare development



Social Assistance One Stop Shops



Development of community services

Remaining challenges

ICD requires a shift in how we think of urban development projects and create synergy among sectors Challenges:

- Sustaining political will and leadership
- Effective institutions at municipal and community level
- Legal framework to support change (land/urban dev)
- Financial sustainability (affordability, O & M, subsidies)
- Instruments to support integration (integrated masterplan and ISDB)
- Creating a process for change (community empowerment and appropriate planning process)